

May 26, 2000

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## By Facsimile and FedEx

Norval B. Galloway, Esq. Patent Counsel VYSIS, INC. 3100 Woodcreek Drive Downers Grove, Illinois 60515

Dear Norval:

This letter is the royalty report pursuant to the Collins licenses for the first quarter of 2000 and includes a revised report for 1999.

I have previously informed you that, without waiving the claims asserted in our complaint for declaratory relief as to validity and non-infringement, and specifically reserving our rights in connection with those claims, it is our current intention to treat commercial sales of the HIV/HCV blood screening assay as subject to the Chiron/Gen-Probe license pending the resolution of the lawsuit." Subject to the same conditions, it is our current intention to treat commercial sales of the qualitative HBV and HCV diagnostic assay as subject to the licenses pending the resolution of the lawsuit.

The information required by the license is set forth in the enclosed summary. Payment of the royalties due for the first quarter of 2000 and for the revised report for 1999 is enclosed.

For your information, the HIV/HCV blood screening assay has received regulatory approval in the following countries: France (Sept. 21, 1999); Spain (Feb. 2, 2000); and Australia (March 31, 2000).

As set forth in a separate, accompanying letter, Gen-Probe and Chiron reserve all rights with respect to sales in or to France prior to regulatory approval.

Please call me if you would like to discuss this matter.

Sincerely

R. William Bowen, Jr.